

Sustainability Forum Challenges & Opportunities

Concessions Management Advisory Board

Crystal Gateway Marriott
March 17, 2011

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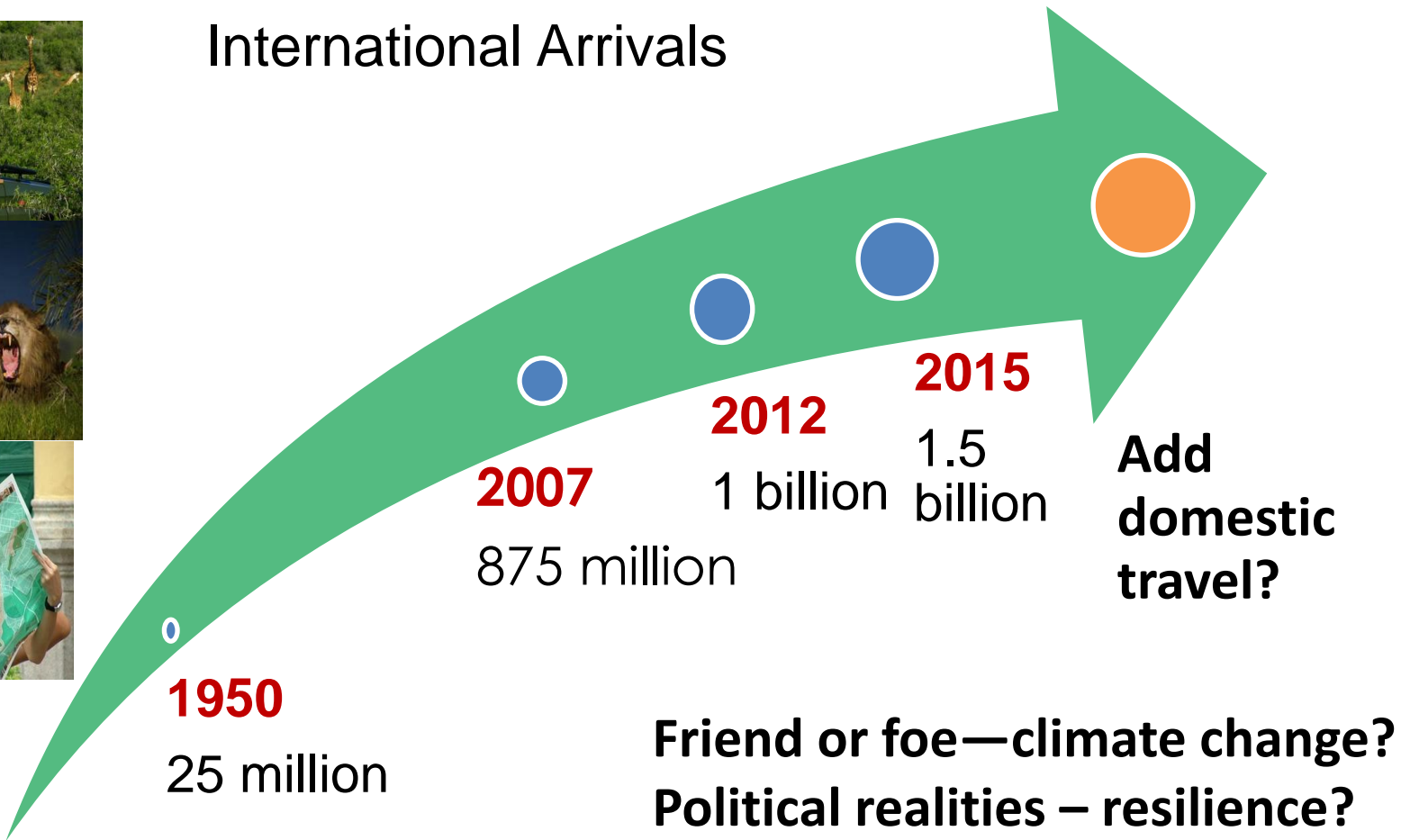


THE GEORGE
WASHINGTON
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WASHINGTON DC

Global Travel & Tourism

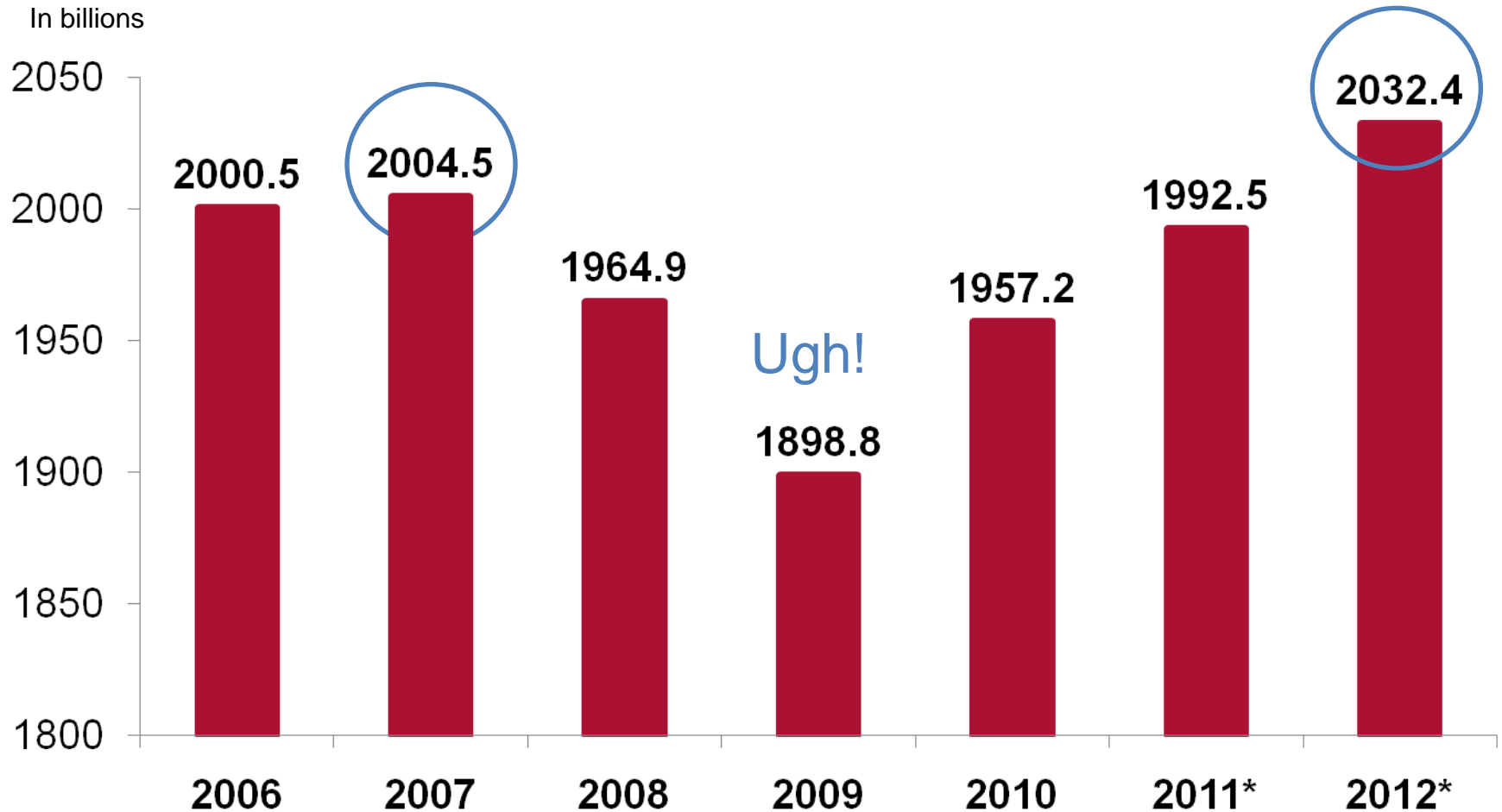
Unprecedented Growth

International Arrivals



Total Domestic Visitors...

Expected to set new record in 2012

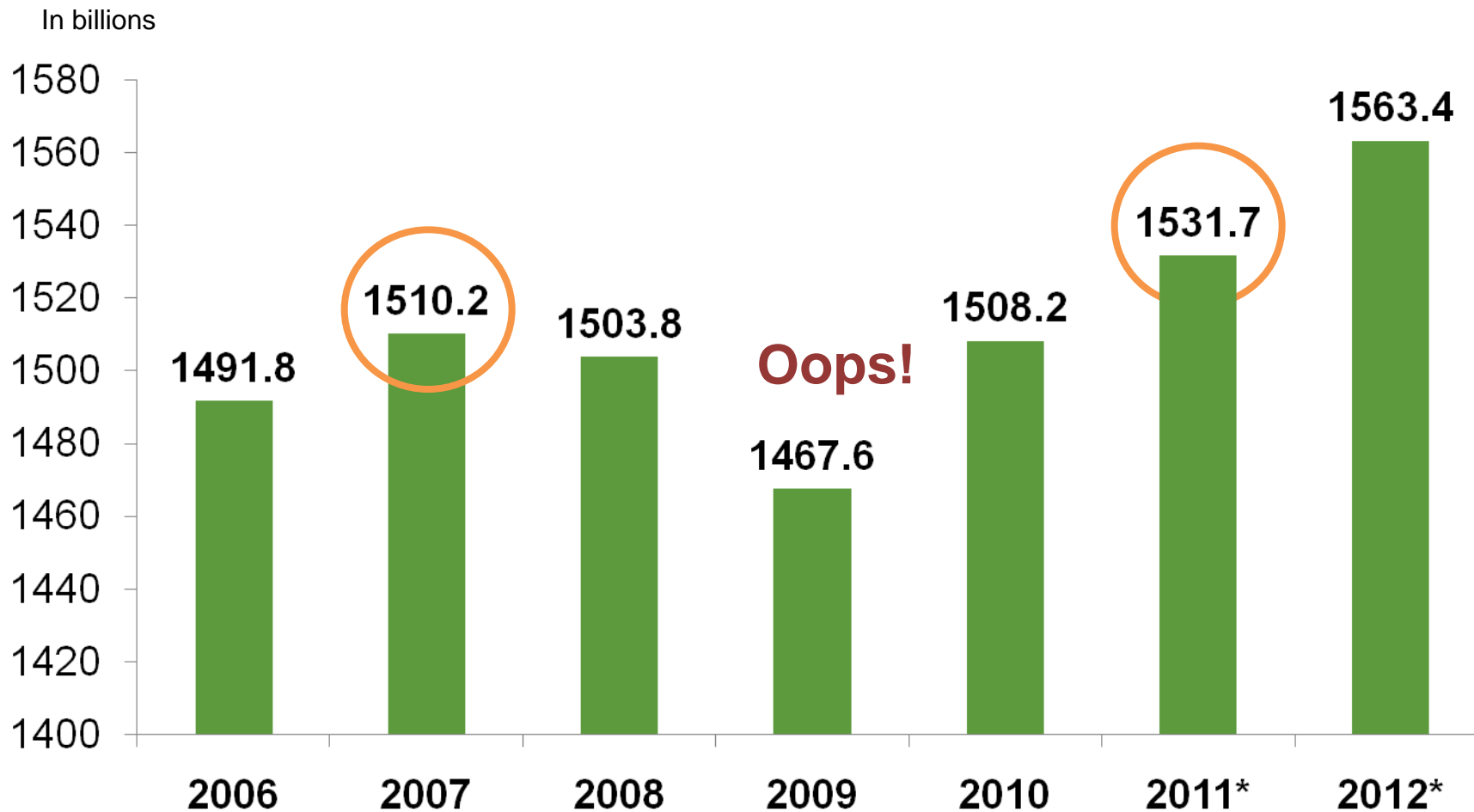


* Forecast

Source: U.S. Travel Association

Domestic Leisure Visitors...

Surpasses 2007 high this year

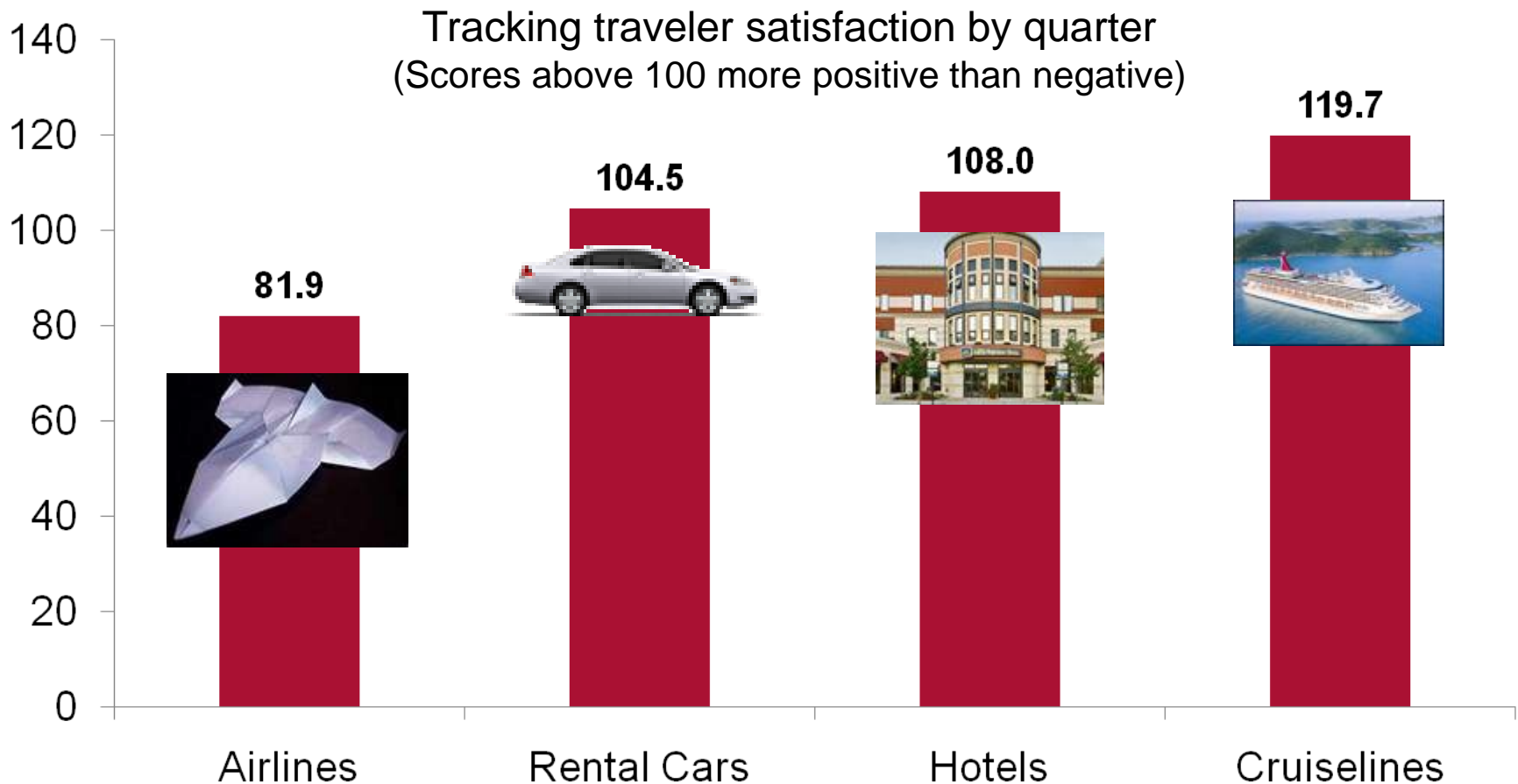


* Forecast

Source: U.S. Travel Association

New Indicator...

Traveler Satisfaction Scores



Source: U.S. Travel Association/Ypartnership, *travelhorizons*™, February 2011

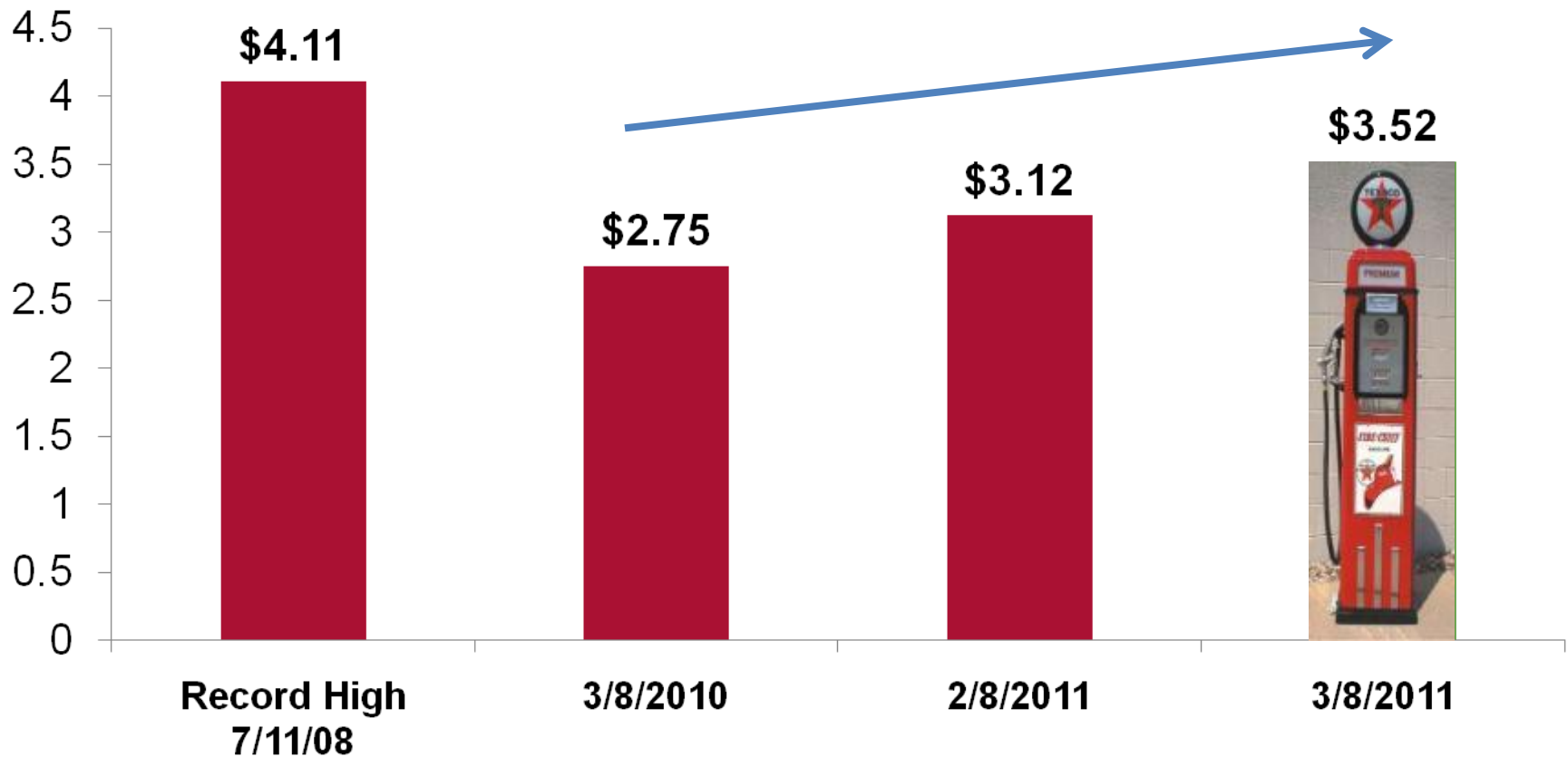
Financial concerns continue to exist... *but improvement seen at last*

Financial Factor Influencing Future Leisure Travel	% Agree Feb 2010	% Agree Feb 2011	Change
Price of gallon of gasoline	46%	56%	↑
Price of air travel	58	52	↓
Cost of visiting theme parks/attractions	52	47	↓
High level of personal debt	56	46	↓
Meltdown of U.S. economy	65	46	↓
Rising cost of healthcare	51	46	↓
Expectation spouse/partner will lose job	NA	45	NA
High level of credit card debt	56	45	↓
High level of debt of family members	53	41	↓


Source: U.S. Travel Association/Ypartnership, *travelhorizons*™, Feb 2010 and Feb 2011

Gas prices up \$0.77 from last year...

Impact outlook for remainder of 2011?

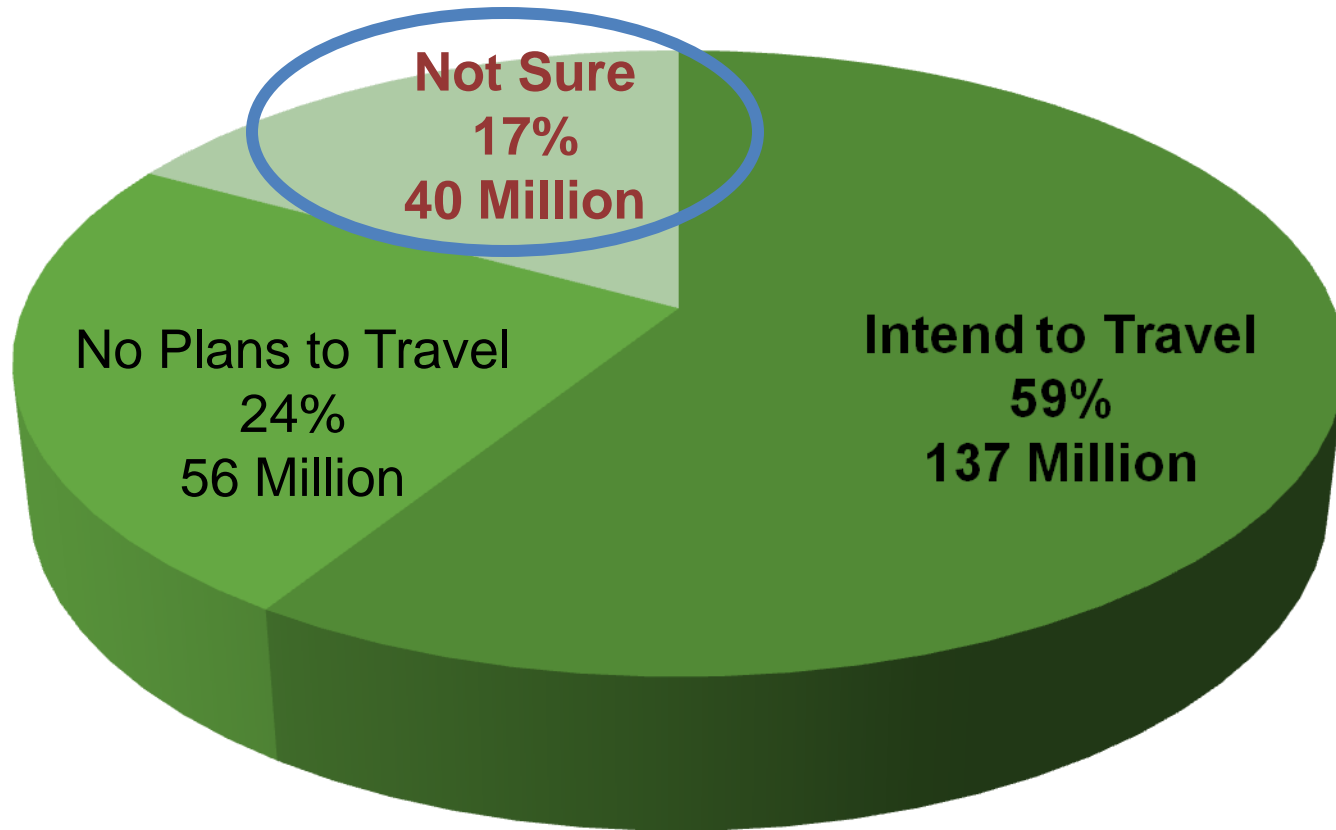


Source: AAA Daily Fuel Gauge Report as of March 8, 2011
www.aaa.org



59% of U.S. adults planning at
least one leisure trip between
February and July
7 million more travelers!

Opportunities exist to entice over **40 million** “not sure” to take a leisure trip



Source: U.S. Travel Association/Ypartnership, *travelhorizons*™, February 2011

Outlook for next 6 months

Source: U.S. Travel Association

- Travel still viewed as a “right”
- Still staying close to home, but ready to drive longer distances (watch gas prices)
- Higher gas prices may impact HH budgets
- Frugality and value continue to reign
- Average number of expected leisure trips up
- Leisure travel intentions up slightly



International Visitors...

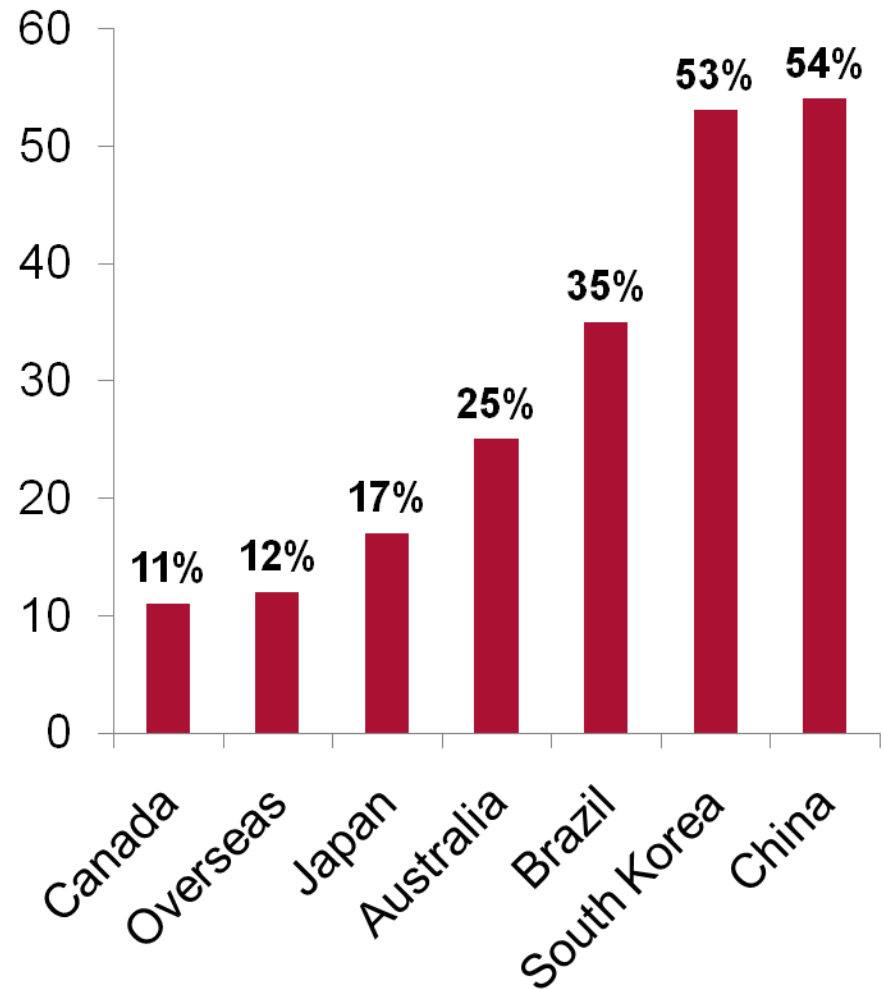
Welcome back!

- Spend more per trip (\$1,800 per visitor)
- Stay longer (18 nights in U.S.)
- \$21.1 billion trade surplus
- Stay in hotels (78%)
- They seek out national parks



Already surpassed 2009 totals in November!

(International arrivals to U.S. through November 2010)



But Challenges Continue!



Focus on Responsible Tourism... The Way Ahead!

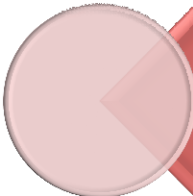
Experiential – Sightseeing to Site-doing & Give Back

Demand for authenticity – Experiencing the real thing

Going green – Take care of the environment, personal responsibility and choice

Search for fulfillment – Transformative experiences with deeper meaning

Do Tourists Really Care?



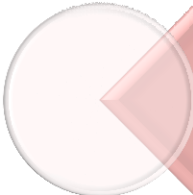
44% of U.S. travelers consider environmental impact when planning travel (*Phocus Wright 2009, "Going Green"*)



78% of U.K. travelers say they will choose holidays designed to be "responsible" (*Concerned Consumer Index, Populus Jan 2008*)



92% of young professions are inclined to work for a company that is environmentally responsible (*WSJ 2007*)



58.5 million Americans will pay more for a travel company that strives to preserve the environment (*TIA National Geo*)

Responsible Tourism Pays!

Association of British Travel Agents (2002)

87%

Important that holiday
does not damage the
environment

TripAdvisor (2008)

34%

Would pay more for an
environmentally-
friendly holiday

76%

Important that
holiday benefit the
residents of the
destination

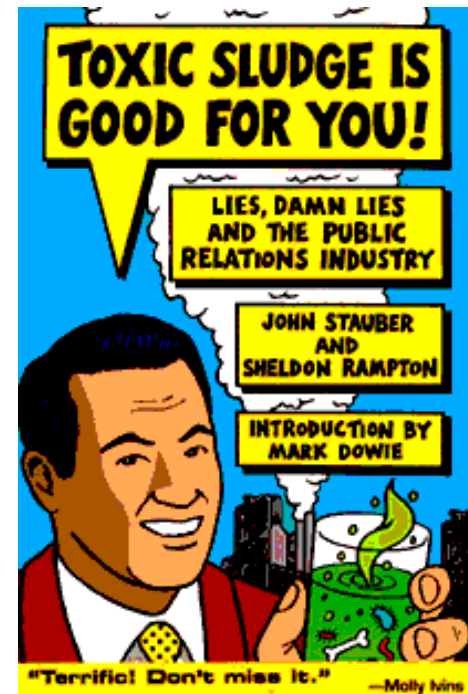
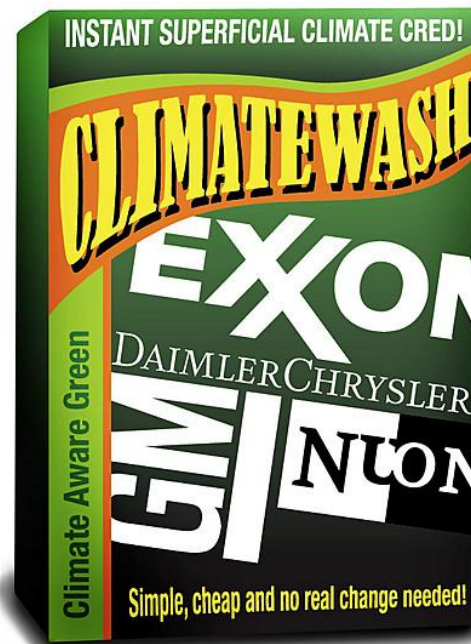
Responsibletravel.org (2004)

87%

Interested in locally-
produced food, local
culture & guides

But How Can Our Industry be More Responsible?

- ⇒ How can we counter “green washing” in which businesses attempt to capitalize on rising consumer demand for sustainable and environmentally friendly goods and services?



UN Foundation catalyzed the Formation of
the Global Sustainable Tourism Council



**TRAVEL
FOREVER**

GLOBAL SUSTAINABLE TOURISM COUNCIL

Global Sustainable Tourism Criteria

To develop these criteria, the Global Tourism Council consulted with sustainability experts and the tourism industry and reviewed more than 60 existing certification and voluntary sets of criteria already being implemented around the globe. In all, more than 4,500 criteria have been analyzed and the resulting Criteria received comments from over 1000 stakeholders around the world.



Global Sustainable Tourism Criteria

Home Background About the Criteria

Other Languages
Deutsch Español Français

Recent News
Open Letter on the GSTC
GSTC Partnership Steering Committee releases statement on current developments (10/6/09)
Tourism Sustainability Council Formed
GSTC Partnership and

Home

Launched at the World Conservation Congress in October 2008, **The Global Sustainable Tourism Criteria (GSTC)** are a set of 37 voluntary standards representing the minimum that any tourism business should aspire to reach in order to protect and sustain the world's natural and cultural resources while providing tourism benefits to local communities.

Benefits & Value Proposition

- **Decrease Costs**

- Minimize use of energy, water, waste disposal
- Streamline operations (kitchen, transportation)
- Minimize employee turnover

- **Increase Revenue**

- Attract new market segments
- Encourage increased length of stay
- Increase quality and customer satisfaction... enhance visitor experience and positive image of the destination
- Improved media image and word of mouth advertising
- Move up-market in the long-term

Market Access Program



- The TSC is currently developing with Expedia, Travelocity, and other travel distribution networks to support greater market access for sustainable tourism businesses. Studies have shown that consumers are willing to make more sustainable choices in their travel decisions, but the majority of mainstream travelers often do not know where to get reliable information.



- An icon will be used to illustrate a tourism businesses compliance with each pillar of sustainable tourism in the GSTC: sustainable tourism management, environmental, socio-cultural, economic.

Certification & Carbon Management

Sustainable Travel International

Develop a carbon
neutral strategy

Design offset projects

Assess carbon footprint
and greenhouse gas
emissions



Toward More Responsible Travel

Ethical Travelers

- Growing market
- Authenticity demanded
- Positive social impacts
- Protect cultural & natural heritage
- Indigenous people concerns

Philanthropy

- Tourism Cares Foundation
- CREST
- Sustainable Travel International

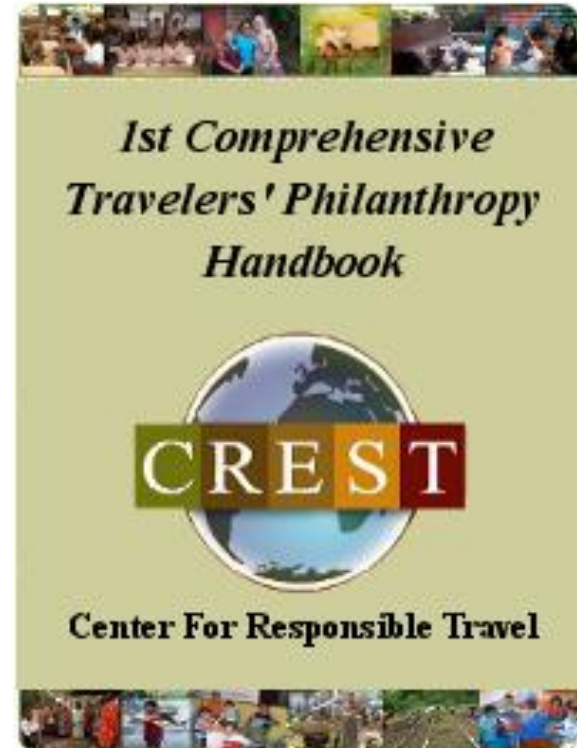
SAVE Travel

- Scientific
- Academic
- Voluntourism
- Education

Travelers' philanthropy

- Travelers' philanthropy is tourism businesses and travelers making concrete contributions of time, talent, and treasure to local projects *beyond what is generated through the normal tourism business.*

Martha Honey, CREST



*Click Here to View
and Order*

<http://www.responsibletravel.org/resources/index.html>

Tourism Industry Give Back



TUESDAY, 25 MAY 2010

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Restoring the past. Preserving the future.

HOME ABOUT DONATE APPLY BLOG

Raising funds for the National
September 11 Memorial & Museum



TOURISM  **Register now!**
Cares for America
SAN FRANCISCO BAY 2010



We are sad to inform you that Bob Whitley, USTOA President, Tourism Cares board member and dear friend, has passed away. Please visit the USTOA website for memorial service information.

▶ VOLUNTEER AT ANGEL ISLAND

▶ TOURISM CARES FOR AMERICA

▶ VOTE TO SAVE OUR SITE



LEARN



GIVE



UNITE

Scientific, Academic, Volunteer & Educational Travel (SAVE)

SAVE matches travel opportunities to SAVE orgs or individuals through:

- the website
- promotional materials
- sales calls
- familiarization trips
- global networks

At the destination, SAVE helps create opportunities by:

- conducting initial site assessment
- selecting project
- packaging project
- setting up local office
- training local coordinator



Sending-Receiving Organizational Partnerships

**“Never doubt that a small group of thoughtful,
committed citizens can change the world.
Indeed, it is the only thing that ever has.”
Margaret Mead**

Thank You